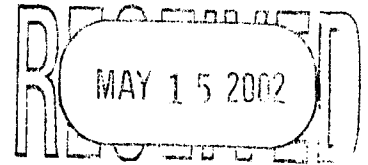


5-1-02 Assessment as updated. cm

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ARIZONA CORPORATION
COMMISSION



ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY



W-02514A
QUAIL CREEK WATER COMPANY
9532 EAST RIGGS ROAD
SUN LAKES AZ 85248-7411

ANNUAL REPORT

FOR YEAR ENDING

12	31	2001
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FOR COMMISSION USE

ANN04	01
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Processed by:

5-16-02 cm

SCANNED

COMPANY INFORMATION

Company Name (Business Name) Quail Creek Water Co., Inc.

Mailing Address 9532 East Riggs Road

(Street)

Sun Lakes

Arizona

85248

(City)

(State)

(Zip)

(480) 895-9200

(480) 895-4347

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

Local Office Mailing Address 1425 N Quail View

(Street)

Green Valley

Arizona

85614

(City)

(State)

(Zip)

(520) 825-3423

(520) 825-0712

(520) 932-5887

Local Office Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

MANAGEMENT INFORMATION

Management Contact: James Poulos **General Manager**

(Name)

(Title)

9532 East Riggs Road

Sun Lakes

Arizona

85248

(Street)

(City)

(State)

(Zip)

(480) 895-9200

(480) 895-4347

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

On Site Manager: Ed Baker

(Name)

40,004 S Ridgeview Blvd.

Tucson

Arizona

85739

(Street)

(City)

(State)

(Zip)

(520) 825-5515

(520) 825-0712

(520) 932-5887

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

Statutory Agent: F C Service Corporation

(Name)

3003 N Central Ave #2600

(Street)

Phoenix

(City)

Arizona

(State)

85012-2913

(Zip)

(602) 916-5000

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Attorney: Marty Aronson

(Name)

One E. Camelback

(Street)

Phoenix

(City)

Arizona

(State)

85012

(Zip)

(602) 263-2972

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☒ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☐ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co op (A)

☐ Receivership (R)

☐ Limited Liability Company

☐ Other (Describe) _____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☐ COCHISE

☐ COCONINO

☐ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☐ MARICOPA

☐ MOHAVE

☐ NAVAJO

☒ PIMA

☐ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☐ YUMA

☐ STATEWIDE

COMPANY NAME Quail Creek Water Company, Inc.

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises	37,295	19,269	18,026
303	Land and Land Rights	92,895	--	92,895
304	Structures and Improvements			
307	Wells and Springs	169,471	85,822	83,649
311	Pumping Equipment	97,206	68,244	28,962
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	185,790	58,615	127,175
331	Transmission and Distribution Mains	446,017	172,974	273,043
333	Services	3,171	3,171	0
334	Meters and Meter Installations	3,109	1,788	1,321
335	Hydrants	23,325	10,045	13,280
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment	6,000	6,000	0
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant	25,578	2,036	23,542
	TOTALS	1,089,857	427,964	661,893

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME Quail Creek Water Company, Inc.

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises	37,295	.04	1,491
303	Land and Land Rights	92,895		0
304	Structures and Improvements			
307	Wells and Springs	169,471	.04	6,785
311	Pumping Equipment	97,206	.0516	5,013
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	185,790	.0255	4,731
331	Transmission and Distribution Mains	446,017	.0296	13,199
333	Services	3,171		
334	Meters and Meter Installations	3,109	.0187	58
335	Hydrants	23,325	.0334	778
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment	6,000		0
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant	25,578	.0408	1,043
	TOTALS	1,089,857		33,098

This amount goes on Comparative Statement of Income and Expense Acct. No. 403.

COMPANY NAME Quail Creek Water Company, Inc.

BALANCE SHEET

Acct. No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 62,269	\$ 152,664
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	9,699	18,334
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments	861	
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 72,829	\$ 170,998
	FIXED ASSETS		
101	Utility Plant in Service	\$ 1,074,390	\$ 1,089,857
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	394,866	427,964
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 679,524	\$661,893
	TOTAL ASSETS	\$ 752,353	\$832,891

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITES		
231	Accounts Payable	\$ 4,090	\$ 2,269
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies	6,868	544
235	Customer Deposits		
236	Accrued Taxes	1,057	1,799
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	32,162	66,865
	TOTAL CURRENT LIABILITIES	\$ 44,177	\$ 71,477
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$	\$
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ --	\$ --
	TOTAL LIABILITIES	\$ 44,177	\$ 71,477
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 3,500	\$ 3,500
211	Paid in Capital in Excess of Par Value	695,896	695,896
215	Retained Earnings	8,780	62,018
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 708,176	\$ 761,414
	TOTAL LIABILITIES AND CAPITAL	\$ 752,353	\$ 832,891

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 109,071	\$ 129,159
460	Unmetered Water Revenue		
474	Other Water Revenues	7,148	5,994
	TOTAL REVENUES	\$ 116,219	\$ 135,153
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 16,780	\$ 18,070
610	Purchased Water		
615	Purchased Power	8,355	9,322
618	Chemicals		
620	Repairs and Maintenance	8,965	5,278
621	Office Supplies and Expense		
630	Outside Services		
635	Water Testing	2,180	4,998
641	Rents		
650	Transportation Expenses		
657	Insurance – General Liability	1,766	1,896
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	694	2,443
403	Depreciation Expense	31,801	33,098
408	Taxes Other Than Income		
408.11	Property Taxes	6,738	6,810
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 77,279	\$ 81,915
	OTHER INCOME/EXPENSE		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	TOTAL OTHER INCOME/EXP	\$ --	\$ --
	NET INCOME/(LOSS)	\$ 38,940	\$ 53,238

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate				
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End

\$ 63,460

Meter Deposits Refunded During the Test Year

\$ 5,812

COMPANY NAME **Quail Creek Water Co., Inc.**

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number	Pump Horsepower	Pump Yield (Gpm)	Casing Size (inches)	Meter Size (inches)
55-608522	125	600	20	6

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

TOTAL GALLONS PUMPED (NOT SOLD) THIS YEAR (thous.) = 32,179

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
750,000	1		

STATISTICAL INFORMATION

Total number of customers 299

Total number of gallons sold 27,759,800 gallons

COMPANY NAME Quail Creek Water Company, Inc.

YEAR ENDING 12/31/2001

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported	<u>0</u>
Estimated or Actual Federal Tax Liability	<u>0</u>
State Taxable Income Reported	<u>0</u>
Estimated or Actual State Tax Liability	<u>50</u>

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	<u>0</u>
Amount of Gross-Up Tax Collected	<u>0</u>
Total Grossed-Up Contributions/Advances	<u>0</u>

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.



SIGNATURE5-15-02

DATEJim Poulos

PRINTED NAMEG.M.

TITLE

COMPANY NAME Quail Creek Water Co., Inc. YEAR ENDING 12/31/2001

**WATER AND SEWER
UTILITIES ONLY**

PROPERTY TAXES

Indicate the amount of actual property taxes paid during this reporting period (Calendar Year 2001)

\$ 3,405

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled Checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain reasons below:

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)
MARICOPA
NAME (OWNER OR OFFICIAL) TITLE
BRIAN J. SMITH - CONTROLLER
COMPANY NAME
QUAIL CREEK WATER COMPANY

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA COPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2001

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2001 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 143,920

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 9,517

IN SALES TAXES BILLED, OR COLLECTED

****REVENUE REPORTED ON THIS PAGE MUST
INCLUDE SALES TAXES BILLED OR
COLLECTED. IF FOR ANY OTHER REASON,
THE REVENUE REPORTED ABOVE DOES NOT
AGREE WITH TOTAL OPERATING REVENUES
ELSEWHERE REPORTED, ATTACH THOSE
STATEMENTS THAT RECONCILE THE
DIFFERENCE. (EXPLAIN IN DETAIL)**

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

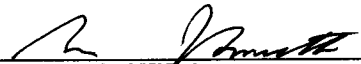
THIS

30

DAY OF

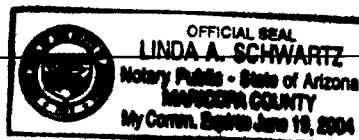
(SEAL)

MY COMMISSION EXPIRES June 19, 2004


SIGNATURE OF OWNER OR OFFICIAL
(480) 895-9200
TELEPHONE NUMBER

COUNTY NAME	MARICOPA
MONTH	APRIL
	2002


SIGNATURE OF NOTARY PUBLIC



0 1 MAY 2002

Entered 5/1/02 em

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

(COUNTY NAME) MARICOPA	
NAME (OWNER OR OFFICIAL) BRIAN J. SMITH	TITLE CONTROLLER
COMPANY NAME QUAIL CREEK WATER COMPANY	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2001

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2001 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
\$ 87,906

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 5,707
IN SALES TAXES BILLED, OR COLLECTED

***RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.**

X 
SIGNATURE OF OWNER OR OFFICIAL

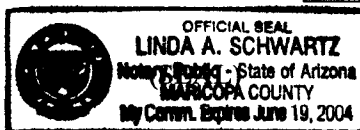
SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

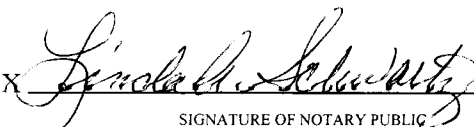
30

DAY OF



MY COMMISSION EXPIRES June 19, 2004

NOTARY PUBLIC NAME Linda A. Schwartz	
COUNTY NAME MARICOPA	
MONTH APRIL	2002

X 
SIGNATURE OF NOTARY PUBLIC

